

# Exhibit 34

**SANDOZ** A Novartis  
Division

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Sandoz Pvt. Ltd.  
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Village Dighe, Navi  
Mumbai 400 708, India

**BY MAIL (via e-mail in advance)**

**Zhejiang Huahai Pharmaceutical Co., Ltd**

Attention of Mr Baohua Chen, Mr Minda Cai,  
Ms Karen Xu, Mr Xavier Tang  
Xunqiao, Linhai,  
Zhejiang 317024,  
China

15 January 2019

**NDMA Impurity in Valsartan batches**

**Notification and update of claims of personal and/or bodily injury and legal actions**

**Our letter dated 20 July 2018**

Dear Mr. Chen

We refer to the letter of Sandoz AG and Sandoz Pvt. Ltd dated 20 July 2018.

As indicated in that letter, we hereby provide you with another updated notification of claims and actions which the affiliates of Sandoz Pvt. Ltd. and Sandoz AG as well as Private Label Companies (as defined in that letter of 20 July 2018) have received and which, in our view, are covered by Huahai's indemnification obligation:

- As of 14 January 2019, close of business CET, and to our knowledge, the claims or actions of patients as listed in **Enclosure A: Product Liability Claims** have been asserted against affiliates of Sandoz Pvt. Ltd and Sandoz AG.
- As of 14 January 2019, close of business CET, and to our knowledge, the indemnification or compensation claims or actions by Private Label Companies as listed in **Enclosure B: Private Label Company Claims** have been asserted against affiliates of Sandoz Pvt. Ltd. and/or Sandoz AG.

Please note that, as indicated in our letter dated 12 December 2018, we will keep providing these updated notifications to you on a bi-weekly basis unless we hear differently from you. With regard to the defense against such claims, Sandoz Pvt. Ltd, Sandoz AG and their affiliates are still in the process of setting up a defense scheme, internally as well as with help of external lawyers (Hogan Lovells and some other law firms in certain local jurisdictions). We already informed you with our letter dated 13 August 2018 that we are defending the product liability cases.

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Please let us know if you would like to receive these updated notifications in a different frequency or in a different level of detail or whether you would like to receive more detailed updates on measures taken in defence.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'R. Gallmann', written over a horizontal line.

Robert Gallmann  
Authorized Signatory  
on behalf of Sandoz Pvt. Ltd. and Sandoz AG

A handwritten signature in black ink, appearing to be 'Michele Burroni', written over a horizontal line.

Michele Burroni  
Authorized Signatory  
on behalf of Sandoz AG

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**Enclosure A**  
**Product Liability Claims**

As of 14 January 2019, close of business CET, and to the best of our knowledge the following claims or actions of patients have been asserted against Sandoz Pvt. Ltd.'s affiliates:

**Austria:** One claimant has raised an unspecified product liability claim against Sandoz GmbH.

Patient requests not including product liability claims have been advanced.

**Belgium:** One patient request not including a product liability claim has been advanced.

**Canada:** A plaintiff has filed a notice of action under the Class Proceedings Act, 1992 against Sandoz Canada Inc. and other defendants before the Ontario Superior Court of Justice. The plaintiff claims against Sandoz Canada Inc. damages to date specified in the amount of CDN 500,000,000.00. This class action has been served upon Sandoz Canada Inc.

A second plaintiff has filed an application for authorization to institute a class action and to obtain the status of representative against Sandoz Canada Inc. and other defendants before the Montreal Superior Court. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has been served upon Sandoz Canada Inc.

A third class action against Sandoz Canada Inc. has been commenced in the province of Saskatchewan. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has been served upon Sandoz Canada Inc. on 23 July 2018.

A fourth plaintiff filed a notice of civil claim under the Class Proceedings Act, R.S.B.C. 1996, c. 50 against Sandoz Canada Inc. and other defendants before the Supreme Court of British Columbia. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has not been served upon Sandoz Canada Inc., yet.

A fifth plaintiff filed a statement of claim against Sandoz Canada Inc. and other defendants before the Supreme Court of Queen's Bench of Alberta. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has been served upon Sandoz Canada Inc. on 24 August 2018.

A sixth plaintiff filed a notice of civil claim against Sandoz Canada Inc. and other defendants before the Supreme Court of British Columbia. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has been served upon Sandoz Canada Inc. on 24 August 2018.

A seventh plaintiff filed a notice of civil claim against Sandoz Canada Inc. and other defendants before the Supreme Court of British Columbia. The plaintiff claims material and non-material damages against Sandoz Canada Inc. in an amount not yet specified. This class action has been served upon Sandoz Canada Inc.'s British Columbia representatives on 15 November 2018.

An eighth plaintiff filed a civil claim against Sandoz Canada Inc. before the Superior Court of Justice of Ontario. The plaintiff claims material and non-material damages against Sandoz Canada Inc. to date specified in the amount of USD 1,350,000.00. This claim has been served upon Sandoz Canada Inc. on 10<sup>th</sup> January 2019.

**France:** Two claimants have raised unspecified product liability claims in relation to Valsartan products against Sandoz S.A.S. With letter dated 4 July 2018, one claimant has filed a request for indemnification with the French Commission de Conciliation et d'Indemnisation des Accidents Médicaux ("CCI") on behalf of her mother. With letter dated 12 July 2018 CCI dismissed the request for indemnification as inadmissible. The claim can be filed again.

Patient requests not including product liability claims have been advanced.

**Germany:** Two plaintiffs filed a motion for legal aid and a draft statement of claim against Novartis Pharma GmbH, Hexal AG and other defendants before the District Court Rottweil. The plaintiffs claim material and non-material damages in an amount not yet specified. With decisions of 17 October 2018 District Court Rottweil dismissed the motions for legal aid of both plaintiffs. Immediate appeals against these decisions are pending before the Court of Appeals Stuttgart.

Thirty-nine claimants have raised unspecified product liability claims and six claimants specified product liability claims (one claimant EUR 5,000.00, one claimant EUR 20,000.00 and four claimants EUR 21,500.00) against 1 A Pharma GmbH. Eighteen claimants have raised unspecified product liability claims and five claimants specified product liability claims (one claimant EUR 20,000.00, three claimants EUR 21,500.00 and one claimant EUR 1,007,314.81) against Hexal AG. Two claimants have raised unspecified product liability claims and one claimant a specified product liability claim (EUR 5,000.00) against 1 A Pharma GmbH and against Hexal AG.

Patient requests not including product liability claims have been advanced.

**Greece:** Patient requests not including product liability claims have been advanced.

**Hungary:** Two claimants have raised an unspecified product liability claim and one claimant a specified product liability claim (HUF 40 million) against Sandoz Hungária.

**Italy:** Three claimants have raised unspecified product liability claims against Sandoz S.p.A.

Patient requests not including product liability claims have been advanced.

**Lithuania:** One customer request not including a product liability claim has been advanced.

**Poland:** Five claimants have raised unspecified product liability claims and two claimants specified product liability claims (PLN 1,500.00 and PLN 48,000.00, respectively) against Sandoz Polska Sp. z o.o.

Patient requests not including product liability claims have been advanced.

**Spain:** One claimant has claimed information on potential unspecified compensation of patients taking Valsartan from Sandoz Farmacéutica S.A.

Patient requests not including product liability claims have been advanced.

**The Netherlands:** Two claimants have raised unspecified product liability claims, one against Sandoz International GmbH and one against Sandoz B.V.

One patient request not including product liability claims has been advanced.



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**Enclosure B**

**Indemnification or compensation claims of Private Label Companies**

As of 14 January 2019, close of business CET, and to our best knowledge, we are aware of the following indemnification or compensation claims or actions by third party private label pharmaceutical companies which have received the NDMA impure Valsartan product containing Valsartan API sourced by Zhejiang Huahai Pharmaceutical Co., Ltd ("Private Label Companies") for their placing on the market asserted against Sandoz AG, Sandoz Pvt. Ltd. or their affiliates:

**Canada:**

Pro Doc Limitee: In Canada, the Private Label Company Pro Doc Limitee, 2925 boul. Industrial, Laval, Québec, H7L 3W9, requested confirmation from Sandoz Canada Inc. to be indemnified. Due to the respective contractual obligations, Sandoz offered indemnification and, subject to certain terms and conditions, to take over defense. Pro Doc Limitee accepted Sandoz's offer.

Sivem Pharmaceuticals ULC: Also in Canada, the Private Label Company Sivem Pharmaceuticals ULC, 4705 Rue Dobrin, Saint-Laurent, Québec, H4R 2P7 requested Sandoz Canada Inc. to indemnify and defend Sivem in respect of claims brought against it. Due to the respective contractual obligations, Sandoz offered indemnification and, subject to certain terms and conditions, to take over defense. Sivem Pharmaceuticals ULC accepted Sandoz's offer.

Sanis Health Inc.: Furthermore, the Private Label Company Sanis Health Inc., 1 Presidents Choice Circle, Brampton, Ontario, L6Y 5S5 provided a general notice of indemnification to Sandoz Canada Inc. and generally requested Sandoz Canada Inc. to take on the defense. Due to the respective contractual obligations, Sandoz offered indemnification and, subject to certain terms and conditions, to take over defense. Sanis Health Inc. accepted Sandoz's offer.

- The initial requests by Pro Doc Limitée and Sivem Pharmaceuticals ULC for indemnification were made in relation to an application for authorization to institute a class action and to obtain the status of representative against Prod Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the **Montreal** Superior Court. The plaintiff claims material and non-material damages against Sandoz Canada Inc. (among others) in an amount not yet specified. The indemnification and defense agreement between Sandoz and Pro Doc Limitée, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.
- In addition, we are aware of another notice of action filed by a plaintiff under the Class Proceedings Act, 1992 against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the **Ontario** Superior Court of Justice. The plaintiff claims damages to date specified in the amount of CDN 500,000,000.00 against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.). The indemnification and defense agreement between Sandoz and Pro Doc Limitée, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.
- A third class action was filed by a plaintiff under the Class Actions Act against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the Court of Queen's Bench for **Saskatchewan**. The plaintiff claims damages against Sandoz Canada Inc. (among others) in an amount not yet specified. The indemnification and defense agreement between Sandoz and Pro Doc Limitée, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.

- A fourth class action was filed by a plaintiff under the Class Proceedings Act, R.S.B.C. 1996, c. 50 against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc. as well as Zhejiang Huahai Pharmaceuticals) before the Supreme Court of **British Columbia**, Vancouver Registry. The plaintiff claims damages against Sandoz Canada Inc. (among others) in an amount not yet specified. This class action is not included in the indemnification and defense agreement yet, but it is likely that Pro Doc Limitee, Sivem Pharmaceuticals ULC and Sanis Health Inc. will request that this action shall also be covered by the indemnification and defense agreement with Sandoz Canada.
- A fifth class action was filed by a plaintiff under the Class Proceedings Act against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the Court of Queen's Bench in **Alberta**. The plaintiff claims damages against Sandoz Canada Inc. (among others) in an amount not yet specified. The indemnification and defense agreement between Sandoz and Pro Doc Limitee, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.
- A sixth class action was filed by a plaintiff under the Class Proceedings Act, R.S.B.C. 1996, c. 50 against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the Supreme Court of **British Columbia**. The plaintiff claims damages against Sandoz Canada Inc. (among others) in an amount not yet specified. The indemnification and defense agreement between Sandoz and Pro Doc Limitee, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.
- A seventh class action was filed by a plaintiff under the Class Proceedings Act, R.S.B.C. 1996, c. 50 against Pro Doc Limitee, Sivem Pharmaceuticals ULC, Sanis Health Inc. and other defendants (including Sandoz Canada Inc.) before the Supreme Court of **British Columbia**. The plaintiff claims damages against Sandoz Canada Inc. (among others) in an amount not yet specified. The indemnification and defense agreement between Sandoz and Pro Doc Limitee, Sivem Pharmaceuticals ULC and Sanis Health Inc. covers this class action.